

House File 635

H-1331

1 Amend the Senate amendment, H-1265, to House File
2 635, as amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, after line 3 by inserting:
5 <___. Page 11, after line 6 by inserting:
6 <Sec. ___. NEW SECTION. 307.27A Insurance
7 verification program.

8 1. The department shall adopt rules for the
9 creation and administration of an insurance
10 verification program to electronically verify
11 compliance with the requirements of section 321.20B.
12 The department may revoke the registration of a
13 motor vehicle for which compliance cannot be verified
14 electronically pursuant to the program, and may refuse
15 to reinstate the registration for the motor vehicle
16 until the owner of the motor vehicle has provided proof
17 of financial liability coverage, as defined in section
18 321.1, and has paid to the department an administrative
19 reinstatement fee of one hundred dollars, which shall
20 be in addition to any other penalty imposed by law.
21 Administrative reinstatement fees collected pursuant
22 to this subsection shall be retained by the department
23 as repayment receipts, as defined in section 8.2,
24 and shall be used exclusively to offset the costs of
25 administering the program, including any payments made
26 to a third-party vendor.

27 2. Rules adopted by the department pursuant to
28 this section shall include a notification schedule
29 for registration revocation and a procedure by which
30 a revoked registration may be reinstated. Rules
31 adopted by the department pursuant to this section
32 shall require each insurer that issues a motor vehicle
33 liability policy, as defined in section 321A.21, to the
34 owner of a motor vehicle registered in this state to
35 submit to the department twice per month information
36 that demonstrates that financial liability coverage
37 is in effect for the insured vehicle, including each
38 insured's name, date of birth, and driver's license
39 number if available, the make, model, year, and vehicle
40 identification number of the vehicle, the policy
41 number and effective date of each policy, and any other
42 information necessary to administer the program. An
43 insurer that fails to provide information as required
44 shall be subject to a civil penalty as determined by
45 the department by rule, which shall not exceed one
46 thousand dollars per day.

47 3. a. The department shall contract with a
48 third-party vendor to act as the department's
49 designated agent for administration of the insurance
50 verification program. The department shall select the

1 vendor through a competitive bidding process.
2 *b.* Notwithstanding section 321.11, the department
3 may provide data and information to the third-party
4 vendor as may be necessary for administration of
5 the program. Any data or information received by
6 the third-party vendor in the administration of the
7 program, whether from the department or an insurer,
8 shall be confidential and shall not be used for any
9 other purpose.
10 4. The insurance verification program implemented
11 by the department pursuant to this section shall not
12 take effect until July 1, 2016, and shall not operate
13 after June 30, 2020.
14 5. This section is repealed June 30, 2020.>>
15 2. Page 1, by striking lines 4 through 6.
16 3. Page 1, by striking lines 24 through 39.
17 4. By renumbering as necessary.

VANDER LINDEN of Mahaska